

BUDGET LETTER

		NUMBER: 02-26
SUBJECT: INITIAL SCHEDULE 10RS (SUPPLEMENTARY SCHEDULES OF REVENUES AND TRANSFERS)	DATE ISSUED: September 10, 2002	
REFERENCES:	SUPERSEDES: BL 01-34	

TO: Departmental Budget Officers
Department of Finance Budget Staff

FROM: DEPARTMENT OF FINANCE

NOTE: Departmental Budget Officers will receive a hard copy of this Budget Letter (BL) with Schedule 10Rs attached.

The Schedule 10Rs (Supplementary Schedules of Revenues and Transfers) are provided to departments to report General Fund and Special Fund revenue and transfer data for the preparation of the Governor's Budget and other special budget processes. Data for the past and current years are pre-posted on the Schedule 10Rs based on the latest information in the Department of Finance (Finance) Revenue System.

Schedule 10Rs must be reviewed, updated, and submitted to your Finance budget analyst by September 24, 2002. Finance Budget Analysts must submit the Schedule 10Rs to Financial Operations by October 8, 2002.

Use the following special reminders in completing the Schedule 10Rs:

A. Rounding

Round all revenue and transfer amounts to thousands on the Schedule 10Rs.

B. Data for the Past Year (2001-02)

1. Post year-end data from departmental records onto the Schedule 10R. CALSTARS agencies will use the automated CSTARQ26 - Year End Statement of Revenue report to post to the Schedule 10R.
2. Revenue data, excluding transfers and loans, should agree with the Final Statement of Revenue, Year-End Statement No. 4. **Attach an explanation for any differences due to timing or other factors.**
3. General Fund revenue data from the Schedule 10Rs will be reconciled with data from the State Controller's Office. If adjustments are necessary to reconcile, you may be asked to submit a revised Schedule 10R.

C. Nongovernmental Cost Funds

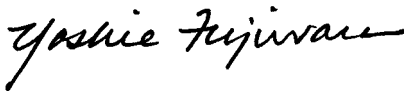
1. On Schedule 10Rs for nongovernmental cost funds, post only the following: (1) transfers to the General Fund, or (2) loans to/from the General Fund or special funds.
2. Do not post revenues on the Schedule 10Rs for nongovernmental cost funds.

D. Loans

1. Loans between State funds will be treated as a revenue transfer and shown on the Schedule 10R.
2. The authority for loans must be cited on a Schedule 10R for both the fund providing the loan and the fund receiving the loan.
3. The authority cited on the Schedule 10R must begin with the word "loan" to indicate that the amount is a loan rather than a transfer.
4. Report interest revenue attributable to loans in the revenue section of the Schedule 10R; this is classified in the Uniform Codes Manual (UCM) as Interest Income from Interfund Loans, Revenue Code 1505.
5. Do not report interest expense on loans on the Schedule 10R; this is an expenditure classified in the UCM as Interest, Object Code 441602, which must be included in planning estimates and Schedule 10s.
6. Finance analysts must coordinate with other appropriate analysts if loans affect funds in other budgets.

Additional Schedule 10R updates will be requested on an interim basis independent of the processing of budgets. These updates are needed to assess the status of current and budget year revenues as well as to review appropriations relative to the State Appropriations Limit and Proposition 98.

If you have any questions regarding Schedule 10Rs, please call your Finance budget analyst or Sue Montoya, Financial Operations, at (916) 322-5540 (CNET 492-5540).



Yoshie Fujiwara
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Upcoming Budget Letters

- Expenditure Authorization Controls
- Supplemental Language Report Requests
- Past, Current, and Budget Year Schedule 10s
- Changes to General Statewide Sections